



Extract

This is an extract of Wage-Setting Decision 5/2007, which adjusts the minimum weekly amount payable to employees with a disability under Special Federal Minimum Wage No. 2, is sourced from: The Australian Fair Pay Commission, *Wage-Setting Decision No 5/2007 and Reasons for Decision*, the Commonwealth of Australia, 2007, pp. 1-4.

The text of the full decision can be accessed at:

<http://www.fairpay.gov.au/fairpay/WageSettingDecisions/General/2007/Documents/>

Wage-Setting Decision No 5/2007

On 6 July 2007 we, Ian Harper (Chairman), and Hugh Armstrong, Patrick McClure, Mike O'Hagan, and Judith Sloan (Commissioners), collectively comprising the Australian Fair Pay Commission, acting pursuant to the powers conferred on the Australian Fair Pay Commission by sections 200 and 216 of the *Workplace Relations Act 1996* (the Act) make the following decision to be known as Australian Fair Pay Commission Wage-Setting Decision 5/2007.

Interpretation

In this wage-setting decision, "*Pay Scale*" means an Australian Pay and Classification Scale.

Commencement of decision

This wage-setting decision comes into operation in relation to an employee at the commencement of the first pay period applicable to the employee on or after 1 October 2007.

Note: The reference to 'pay period' in the commencement provision is a reference to the pay period according to which the employee was being paid immediately before 1 October 2007.

A Adjustments to special Federal Minimum Wage No. 2

A1 Amendments to paragraphs 5.1 and 7.2 of new special Federal Minimum Wage No. 2

New special Federal Minimum Wage No. 2 – Employees with a disability who are unable to perform the range of duties to the competence level required because of the effects of a disability on their productive capacity – and are not currently covered by a Pay Scale, as determined in Section G of Wage-Setting Decision 1/2006, is adjusted as follows:

(a) Paragraph 5.1 is deleted and is replaced by the following:

5.1 The employee will be paid the amount worked out according to the following formula:

$$\$66 \div x$$

where x is the actual number of hours worked by the employee per week, or 38, whichever is the lesser.

(b) Paragraph 7.2 is deleted and is replaced by the following:

7.2 The minimum hourly rate payable to the employee during the trial period shall be the greater of \$1.73 per hour or

$$\$66 \div x$$

where x is the actual number of hours worked by the employee per week, or 38, whichever is the lesser.

D Reasons for Decision

The minimum weekly amount payable to employees with a disability has been adjusted from \$64 per week to \$66 per week for employees covered by one of the following instruments:

- New special Pay Scale – Employees with a disability who are unable to perform the range of duties to the competence level required because of the effects of a disability on their productive capacity – and are currently covered by a Pay Scale that does not include the Supported Wage System;
- New special Federal Minimum Wage No 2 – Employees with a disability who are unable to perform the range of duties to the competence level

required because of the effects of a disability on their productive capacity – and are not currently covered by a Pay Scale;

- Pay Scales which provide for the Supported Wage System and which also provide a minimum amount payable under the Supported Wage System.

The minimum weekly payment has been adjusted to give effect to the intention of the Australian Fair Pay Commission to retain the historical nexus between the income-test free threshold of the Disability Support Pension and the minimum weekly amount payable to employees with a disability working under the Supported Wage System. The income-test free threshold of the Disability Support Pension was increased from \$64 per week to \$66 per week on 1 July 2007.

